

SENATE, No. 1855

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 24, 2020

Sponsored by:
Senator M. TERESA RUIZ
District 29 (Essex)

SYNOPSIS

Establishes NJEDA urban farming grant and loan program.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing an urban farming grant and loan program, and
2 supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).
3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
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7 1. As used in P.L. , c. (C.) (pending before the
8 Legislature as this bill):

9 “Urban area” means a neighborhood in, or portion of, a city of
10 the first class, second class, third class, or fourth class in the State
11 or a neighborhood in, or portion of, a municipality eligible to
12 receive State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

13 “Urban farming” means farming in an urban area on land or in or
14 on a building or the rooftop thereof, where fresh produce or other
15 agricultural products are grown or raised for consumption as food
16 by traditional agricultural methods, in greenhouses using the
17 appropriate methods for these structures, or through the use of
18 aquaponics, hydroponics, or another nontraditional method of
19 farming. “Urban farming” shall not include the cultivation of
20 marijuana for medicinal or any other purpose.
21

22 2. a. The New Jersey Economic Development Authority, in
23 consultation with the Department of Agriculture and the Department
24 of Education, shall develop and administer an urban farming grant and
25 loan program to:

26 (1) facilitate the acquisition of sites in urban areas available to be
27 used for urban farming;

28 (2) maintain urban farming sites; and

29 (3) support providing fresh produce and other agricultural products
30 from urban farming sites to school districts for use in public school
31 cafeterias throughout the State.

32 b. (1) An applicant for a grant or loan pursuant to this section
33 shall apply to the authority, in a form and manner as determined by the
34 authority, and shall include information as the authority determines is
35 necessary in consideration of the provisions of P.L. , c. (C.)
36 (pending before the Legislature as this bill).

37 (2) In order to receive a grant or loan from the authority pursuant
38 to P.L. , c. (C.) (pending before the Legislature as this bill),
39 the applicant shall meet the following requirements:

40 (a) the applicant’s urban farming facility shall be located within an
41 urban area of the State;

42 (b) the applicant shall demonstrate contractual relationships with
43 school districts in the State for the use of the fresh produce or other
44 agricultural products grown or raised by the applicant, or shall
45 demonstrate to the satisfaction of the authority how those relationships
46 will be established;

1 (c) the applicant shall have sufficient experience, training, and
2 education in urban farming to establish and operate an urban farming
3 facility; and

4 (d) the applicant shall demonstrate to the satisfaction of the
5 authority that the applicant owns and operates an established urban
6 farming facility or has access to a site upon which a viable urban
7 farming facility may be established.

8 (3) In order for the authority to consider an application for a grant
9 or loan available pursuant to P.L. , c. (C.) (pending
10 before the Legislature as this bill), an applicant shall, as a condition of
11 receiving a grant or loan, commit to:

12 (a) materially and substantially participate in urban farming and
13 the provision of fresh produce and other agricultural products to public
14 schools in school districts in the State;

15 (b) use the grant or loan for urban farming only; and

16 (c) comply with any other criteria established by the authority
17 pursuant to rules and regulations adopted pursuant to section 3 of
18 P.L. , c. (C.) (pending before the Legislature as this bill).

19 (4) The authority shall review each complete application and
20 approve any application that meets the requirements of this section and
21 the rules and regulations adopted pursuant to section 3 of
22 P.L. , c. (C.) (pending before the Legislature as this bill).

23 c. An urban farming grant under this section shall be made by the
24 authority in the manner the authority establishes, subject to the terms
25 and conditions considered appropriate by the authority that are
26 consistent with the purposes of P.L. , c. (C.) (pending before
27 the Legislature as this bill) and with the rules and regulations adopted
28 by the authority pursuant to section 3 of P.L. , c. (C.) (pending
29 before the Legislature as this bill).

30 d. An urban farming loan under this section shall be made
31 pursuant to a loan agreement between the applicant and the authority,
32 shall bear interest at rates and terms deemed appropriate by the
33 authority, and shall contain other terms and conditions considered
34 appropriate by the authority that are consistent with the purposes of
35 P.L. , c. (C.) (pending before the Legislature as this bill) and
36 with the rules and regulations adopted by the authority pursuant to
37 section 3 of P.L. , c. (C.) (pending before the Legislature as
38 this bill).

39 e. The authority may, in its discretion, require an applicant that
40 receives a grant or a loan pursuant to P.L. , c. (C.) (pending
41 before the Legislature as this bill) to submit an audited financial
42 statement to the authority in order to ensure the applicant has properly
43 used the grant or loan, the applicant is providing fresh produce and
44 other agricultural products to public schools in the State, and the
45 applicant continues to operate a viable urban farming facility.

46 f. The authority may, either through the adoption of rules and
47 regulations pursuant to section 3 of P.L. , c. (C.) (pending
48 before the Legislature as this bill), or through the terms of a grant or

1 loan agreement made pursuant to subsection c. or d. of this section,
2 establish terms governing the incidence of default by an applicant that
3 receives a grant or loan under the program, and in the case of a grant
4 applicant, circumstances under which the grant may be converted to a
5 loan after it is demonstrated that the applicant improperly used the
6 grant.

7 g. The authority may participate in, and cooperate with,
8 programs of the Consolidated Farm Service Agency in the United
9 States Department of Agriculture, any Federal Land Bank, or any
10 other agency or instrumentality of the federal government, or with
11 any program of any other State agency, in the administration of the
12 urban farming grant and loan program.

13
14 3. The New Jersey Economic Development Authority, in
15 consultation with the Department of Agriculture and the
16 Department of Education, shall adopt, pursuant to the
17 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-
18 1 et seq.), rules and regulations necessary to effectuate the
19 purposes of P.L. , c. (C.) (pending before the Legislature
20 as this bill).

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22 4. This act shall take effect immediately.
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25 STATEMENT

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27 This bill directs the New Jersey Economic Development
28 Authority (EDA), in consultation with the Department of
29 Agriculture and the Department of Education, to develop and
30 administer an urban farming grant and loan program to: facilitate
31 the acquisition of sites in urban areas available to be used for urban
32 farming; maintain urban farming sites; and support providing
33 agricultural products to public school cafeterias.

34 The bill requires demonstration of a contractual relationship with
35 school districts in the State to provide fresh produce or other
36 agricultural products grown or raised through urban farming to
37 public schools. The bill authorizes the EDA to establish additional
38 eligibility requirements and terms for receiving a grant or loan
39 pursuant to the program. The bill also excludes the cultivation of
40 marijuana for medicinal or any other purpose from any urban
41 farming supported by the EDA grants and loans pursuant to the
42 program.